

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 7688

Joint Petition of Central Vermont Public Service)
Corporation and the Town of Readsboro for: (1))
approval of the acquisition by CVPS of the Town of)
Readsboro Electric Light Department's distribution)
system assets and service territory, and associated)
transactions; (2) the issuance of an accounting order)
which approves the deferral and amortization by CVPS)
of the purchase price; and (3) revocation of Readsboro)
Electric's Certificate of Public Good)

Order entered: 9/9/2011

ORDER RE REFUND CALCULATION

Our July 8, 2011, Order required the Town of Readsboro Electric Department ("Readsboro") to:

make a compliance filing for Board approval within 15 days of the closing of the acquisition related to the funds that had been set aside to hire an assistant manager. The filing shall be made prior to the issuance of refunds and shall show the total dollar amount owed to ratepayers and explain the calculations used to determine the refund amounts due to customers.¹

On August 15, 2011, Readsboro made the required compliance filing. The filing includes a letter from the New England Municipal Resource Center ("NEMRC"), the third-party entity that performed the refund calculation as required by the Stipulation approved in our July 8 Order.

NEMRC's letter states that \$16,694 was included in the last rate case for the assistant manager's salary. Those rates were in effect from August 1, 2010, through August 1, 2011. Therefore, NEMRC based the total refund on the full \$16,694 billed as a result of the rate increase.

NEMRC's letter explains that each customer's refund was calculated based on that customer's percentage of the total billing for all customers over the period of time the rates were

1. Order of 7/8/11 at 15 (Order paragraph 8).

in effect. Each customer's percentage was then multiplied by the total amount to be refunded to calculate the amount due to that customer.

According to NEMRC's letter, there are four Readsboro customers entitled to refunds of less than one dollar, with the smallest refund being 38 cents. NEMRC's letter also states that "a determination of lower limits on refunds may be considered."²

No party filed comments on Readsboro's compliance filing.

We have reviewed the refund calculation provided by NEMRC, and conclude that it is appropriate.³ We note that NEMRC suggests considering a lower limit on refunds; however, Readsboro itself has not requested such a limit. Therefore, Readsboro shall issue refunds to all of its former customers as calculated by NEMRC, with no lower limit on the refunds.

SO ORDERED.

2. Letter from Willis D. "Chip" Stearns II, Vice President, NEMRC, to Select Board Members, Readsboro Electric Department, dated August 9, 2011, attached to letter from Joslyn L. Wilschek, Esq., Primmer Piper Eggleston & Cramer, PC, on behalf of Readsboro, dated August 15, 2011.

3. As calculated by NEMRC, the actual amount to be refunded to former Readsboro customers is \$16,694.07. The difference is the result of rounding on each calculation.

Dated at Montpelier, Vermont, this 9th day of September, 2011.

<u>s/James Volz</u>)	
)	PUBLIC SERVICE
)	
<u>s/David C. Coen</u>)	BOARD
)	
)	OF VERMONT
<u>s/John D. Burke</u>)	

OFFICE OF THE CLERK

FILED: September 9, 2011

ATTEST: s/Susan M. Hudson
Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: psb.clerk@state.vt.us)

Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Board within thirty days. Appeal will not stay the effect of this Order, absent further Order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and order.